

SB147 INTRODUCED



1 SB147
2 MDIFW1H-1
3 By Senator Albritton
4 RFD: Finance and Taxation General Fund
5 First Read: 11-Feb-25

1 SYNOPSIS:

2 This bill makes an appropriation of \$36,616,436
3 from the Children First Trust Fund for the fiscal year
4 ending September 30, 2026, to the entities and for the
5 purposes designated in Section 41-15B-2.2, Code of
6 Alabama 1975; to provide for the deposit of tobacco
7 settlement revenues into the Children First Trust Fund;
8 to require written notification of anticipated agency
9 allocations by the State Director of Finance; to
10 require quarterly allocations; to condition allocations
11 on receipt of tobacco revenues; to provide for the
12 transfer to the State General Fund during fiscal year
13 2026 that portion of Children First Trust Fund receipts
14 currently allocated for the State Board of Education;
15 to make an appropriation of \$44,177,773 from other
16 tobacco settlement funds for the fiscal year ending
17 September 30, 2026; and to make a conditional
18 appropriation and allocation of additional tobacco
19 revenues upon the recommendation of the Director of
20 Finance, the Chairman of the House Ways and Means
21 General Fund Committee and the Chairman of the Senate
22 Finance and Taxation-General Fund Committee, and the
23 approval of the Governor.

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SB147 INTRODUCED

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A BILL

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TO BE ENTITLED

27

AN ACT

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29 To make an appropriation of \$36,616,436 from the Children
30 First Trust Fund for the fiscal year ending September 30,
31 2026, to the entities and for the purposes designated in
32 Section 41-15B-2.2, Code of Alabama 1975; to provide for the
33 deposit of tobacco settlement revenues into the Children First
34 Trust Fund; to require written notification of anticipated
35 agency allocations by the State Director of Finance; to
36 require quarterly allocations; to condition allocations on
37 receipt of tobacco revenues; to provide for the transfer to
38 the State General Fund during fiscal year 2026 that portion of
39 Children First Trust Fund receipts currently allocated for the
40 State Board of Education; to make an appropriation of
41 \$44,177,773 from other tobacco settlement funds for the fiscal
42 year ending September 30, 2026; and to make a conditional
43 appropriation and allocation of additional tobacco revenues
44 upon the recommendation of the Director of Finance, the
45 Chairman of the House Ways and Means General Fund Committee
46 and the Chairman of the Senate Finance and Taxation-General
47 Fund Committee, and the approval of the Governor.

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BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

49

50 Section 1. (a) There is hereby appropriated from the
51 Children First Trust Fund the sum of \$36,616,436 for the
52 fiscal year ending September 30, 2026, to the entities and for
the purposes designated in Section 41-15B-2.2, Code of Alabama

SB147 INTRODUCED

53 1975 as follows, per the approved plan of investment for each
54 agency:

55	Alcoholic Beverage Control Board	426,500
56	Children's Trust Fund	2,190,445
57	Department of Forensic Sciences	418,413
58	Alabama Department of Human Resources	7,958,464
59	Juvenile Probation Services Fund	4,482,854
60	Alabama Medicaid Agency	1,551,236
61	Alabama Department of Mental Health	2,142,457
62	State Multiple Needs Children's Fund	4,358,550
63	Department of Public Health	4,766,197
64	Department of Rehabilitation Services	214,002
65	Department of Youth Services	8,107,318

66 (b) (1) All tobacco revenues from the tobacco
67 settlement received by the state previously designated for the
68 Children First Trust Fund shall be deposited to the Children
69 First Trust Fund within 30 calendar days of receipt of those
70 tobacco revenues.

71 (2) The Director of Finance shall notify each agency
72 and the Department of Early Childhood Education in writing
73 prior to September 1, 2025, of the dollar amount of the
74 allocation expected to be received by the agency from the
75 Children First Trust Fund in the fiscal year ending September
76 30, 2026.

77 (3) At the beginning of each quarter of the fiscal year
78 ending September 30, 2026, the respective agency shall be
79 allocated at least one-fourth of the total amount appropriated
80 and allocated to the agency for that fiscal year when tobacco

SB147 INTRODUCED

81 revenues are available for the respective agency. In the event
82 tobacco revenues are not available for the respective agency
83 until later in the fiscal year then the respective agency
84 shall be allocated an equal quarterly allotment for the
85 quarters that funds are available at the beginning of those
86 quarters. Such allocation shall be made and be available for
87 expenditure by the agency within five working days of the
88 commencement of the quarter. If additional sums are
89 appropriated or allocated, or both, during the fiscal year,
90 these sums shall be equally allocated to the respective agency
91 among the remaining quarters of the fiscal year or may be
92 allocated to the respective agency in one sum if revenues are
93 available. The Department of Early Childhood Education shall
94 be notified in writing of all appropriations and allocations
95 from the Children First Trust Fund by the Director of Finance.

96 (4) Allocations from the Children First Trust Fund are
97 conditioned upon the receipt of tobacco revenues.

98 (c) Allocations received pursuant to Section 1 shall be
99 expended in accordance with Section 41-15B-2.2, Code of
100 Alabama 1975.

101 (d) At the conclusion of the fiscal year, any remaining
102 sums in the Children First Trust Fund shall remain in the fund
103 and shall not revert to the State General Fund or to any other
104 fund.

105 Section 2. Notwithstanding any provision of Division 1
106 of Article 17 of Chapter 10 of Title 41, Code of Alabama 1975,
107 any provision of Chapter 15B of Title 41, Code of Alabama
108 1975, or any other provision of law, that portion of Children

SB147 INTRODUCED

109 First Trust Fund receipts currently allocated for the State
 110 Board of Education shall be transferred from the Children
 111 First Trust Fund to the State General Fund during the fiscal
 112 year ending September 30, 2026.

113 Section 3. In addition to the appropriation herein
 114 above made, there is hereby appropriated from additional
 115 tobacco settlement funds the sum of \$44,177,773 for the fiscal
 116 year ending September 30, 2026 to the following entities:

117	Department of Early Childhood Education	142,590
118	21st Century Debt Service	16,000,000
119	Senior Services Trust Fund	1,267,470
120	Alabama Medicaid Agency	24,836,383
121	Department of Senior Services - Medicaid Waiver	1,931,330

122 Section 4. Any additional tobacco revenues available for
 123 the fiscal year ending September 30, 2026, shall be
 124 conditionally appropriated, conditioned upon the
 125 recommendation of the Director of Finance, the Chairman of the
 126 House Ways and Means General Fund Committee and the Chairman
 127 of the Senate Finance and Taxation-General Fund Committee, and
 128 approval of the Governor.

129 Section 5. The Executive Budget Office and the Director
 130 of Finance shall allot funds appropriated from the Children
 131 First Trust Fund only following the certification by the
 132 Secretary of the Department of Early Childhood Education that
 133 a plan of investment has been approved for each agency. The
 134 Secretary of the Department of Early Childhood Education shall
 135 prescribe the form and format on which each agency receiving
 136 appropriated funds herein shall submit a plan of investment of

SB147 INTRODUCED

137 said appropriated funds. The plan of investment shall include,
138 but not be limited to, a minimum of four (4) quality assurance
139 items on which a periodic report, as required by the approved
140 plan of investment, is made and as audited by the Examiners of
141 Public Accounts. Quality assurance items shall include the
142 number of children receiving service, an identifiable measure
143 of success of services provided and a prioritized standard of
144 successful measures for future plans of investment. It is the
145 intent of the Legislature that the Secretary of the Department
146 of Early Childhood Education shall be responsible for
147 providing a standard of measurement by which a clear
148 determination can be made through operational reporting and
149 audit reporting of a measurable success of funds appropriated
150 and invested from the Children First Trust Fund; insure funds
151 appropriated herein are invested in viable programs; insure
152 and promote the leverage of appropriated funds herein in every
153 possible manner and coordinated in all possible ways the
154 investment of funds by each service provider to insure that no
155 unproductive expenditures or duplication occurs. The Secretary
156 of the Department of Early Childhood Education shall notify
157 legislators representing the area where a grant from the
158 Children First Trust Fund is designated. The notification
159 shall occur ten days before the funds reach the recipient
160 agency.

161 Section 6. The Secretary of the Department of Early
162 Childhood Education shall report each approved plan of
163 investment to the Joint Interim Legislative Oversight
164 Committee and the Alabama Children's Policy Council. The

SB147 INTRODUCED

165 Secretary, upon the request of the service agency, may approve
166 an adjusted plan of investment. It is the intent of the
167 Legislature that funds appropriated from the Children First
168 Trust Fund be directed to meet the most immediate needs of
169 children as changing conditions may develop.

170 Section 7. Should any provision of this act be held
171 invalid, the invalidity thereof shall not affect the remaining
172 provisions of the act.

173 Section 8. This act shall become effective
174 immediately upon its passage and approval by the Governor, or
175 its otherwise becoming law.